

**Whispering Hills Water Company**  
**Adjustment to Rate Case Expense**  
 For the Test Year Ending December 31, 2008

Line No.	Description (a)	Total Rate Case Expense (Actual & Estimate) (b)	Total Rate Case Expense per Co. w/p d (c)	Proposed Adj. (b-c) (d)
1	Rate Case Expense			
2	Outside legal services	\$ 25,000	\$ 25,000	
3	Customer notices	2,298	2,298	
4	Water Service Personnel	13,718	36,871	
5	External Consultants	15,399	50,000	
6	Miscellaneous costs	6,603	1,000	
7				
8	Total Rate Case Expense	<u>\$ 63,018</u>	<u>\$ 115,169</u>	
9				
10	Amortization Period	5	3	
11				
12	Amortization Expense per Year (Line 8/Line 10)	<u>\$ 12,604</u>	<u>\$ 38,390</u>	<u>\$ (25,786)</u>

Source:

Col. (c) Company workpaper wp-d

Col. (b), line 4 WHWC Ex. 2.0, Sch. 2.1, Page 7, Line 18

Col. (b), line 5 \$7,398.75 - Lubertoizzi actual per Company response to Staff data request BCJ 2.08  
 \$6,000 - SFIO Consulting  
 \$2,000 - AUS Consultants

Col. (b), line 6 Actual & Estimated Additional Miscellaneous costs  
 \$135 Publication (actual)  
 \$4,882 Temps (actual)  
 \$586 Travel (actual)  
 \$1,000 Travel (estimate)

**Whispering Hills Water Company**  
**Adjustments to Rate Base**  
 For the Test Year Ending December 31, 2008

Line No.	Description	Working Capital WHWC Ex. 2.0 Schedule 2.1 Page 12 of 22 (Line 9)	Pro Forma Plant WHWC Ex. 2.0 Schedule 2.1 Page 13 of 22 (Line 3)	Accumulated Depreciation (ICC Sch. 1.9)	Deferred Charges (ICC Sch. 1.10)	Customer Deposits (ICC Sch. 1.11)	WSC Allocation Factor (ICC Sch. 2.5)	CIAC Error (Note 1)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Gross Plant in Service	\$ -	\$ 61,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,452
2	Less: Accumulated Depreciation	-	2,027	(92,335)	-	-	-	-	(90,308)
3		-	-	-	-	-	-	-	-
4	Net Plant	-	63,480	(92,335)	-	-	-	-	(28,855)
5	Additions to Rate Base	-	-	-	-	-	-	-	-
6	Working Capital	(10,741)	-	-	-	-	-	-	(10,741)
7	Customer Deposits	-	-	-	-	(590)	-	-	(590)
8	Adjustment to Rate Base Allocations	-	-	-	-	-	(10,579)	-	(10,579)
9	Deferred Charges	-	-	-	(18,893)	-	-	-	(18,893)
10		-	-	-	-	-	-	-	-
11		-	-	-	-	-	-	-	-
12		-	-	-	-	-	-	-	-
13		-	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-	-
15		-	-	-	-	-	-	-	-
16	Deductions From Rate Base	-	-	-	-	-	-	-	-
17	Contributions in Aid of Construction	-	-	-	-	-	-	(265,521)	(265,521)
18	Accumulated Deferred Income Taxes	-	(2,724)	-	-	-	-	-	(2,724)
19		-	-	-	-	-	-	-	-
20	Deferred Federal Income Taxes	-	-	-	-	-	-	-	-
21	Deferred State Income Taxes	-	-	-	-	-	-	-	-
22		-	-	-	-	-	-	-	-
23	Rate Base	\$ (10,741)	\$ 60,755	\$ (92,335)	\$ (18,893)	\$ (590)	\$ (10,579)	\$ (265,521)	\$ (337,904)

**Note 1**

Please note that the Company erroneously adjusted CIAC in its original filing. This adjustment corrects the error.

**Whispering Hills Water Company**  
**Adjustment to Utility Plant - Pro Forma Plant Additions**  
**For the Test Year Ending December 31, 2008**

Line No.	Description	2009 Invoices	2009 Capitalized Labor	2009 Other Additions	Total Pro Forma Additions
	(a)	(b)	(c)	(d)	(e)
1	Land & Land Rights - General Plant	\$ (1,000)	\$ -	\$ 46	\$ (954)
2	Structures & Improvements - Source of Supply	16,141	-	-	16,141
3	Structures & Improvements - Trans Dist Plt	3,125	-	-	3,125
4	Structures & Improvements - General Plant	-	44	-	44
5	Wells & Springs	54,039	14,142	-	68,181
6	Supply Mains	11,570	-	-	11,570
7	Electric Pumping Equipment - Src Pump	57	-	-	57
8	Electric Pumping Equipment - WTP	32,229	86	-	32,315
9	Water Treatment Equipment	1,348	3,050	-	4,398
10	Distribution Reservoirs & Standpipes	14,736	524	-	15,259
11	Transmission & Distribution Mains	9,717	10,063	-	19,780
12	Service Lines	60,809	376	-	61,185
13	Meters	940	-	-	940
14	Meter Installations	-	11,030	-	11,030
15	Hydrants	7,413	-	-	7,413
16	Office Structures & Improvements	-	-	1,304	1,304
17	Office Furniture & Equipment	-	-	4,708	4,708
18	Tool Shop & Misc. Equipment	(266)	-	14	(252)
19	Laboratory Equipment	1,079	-	-	1,079
20	Communication Equipment	250	-	554	804
21	Transportation Equipment	-	-	(10,182)	(10,182)
22	Mainframe Computer	-	-	275	275
23	Mini Computers	-	-	1,147	1,147
24	Computer Systems	-	-	14,900	14,900
25	Microcomputer Systems	-	-	297	297
26	Elevated Tank Repair Project	30,000	(2) -	-	30,000
27	Total Pro Forma Plant Additions (Sum of Lines 1 through 26)	<u>\$ 242,186</u>	<u>\$ 39,314</u>	<u>\$ 13,063</u>	294,563
28	Total Pro Forma Plant Additions per Original Filing			(1) -	233,111
29	Pro Forma Plant Additions Adjustment (Line 27 - Line 28)				<u>\$ 61,452</u>

Sources:

Column (b) through (d): Actual 2009 GL additions update

Column (e): Sum of columns (b) through (d)

(1) Response to Staff data request JMO 1.01, tab "wp - I - GL Additions"

(2) Please note that the Company is including a project to repair an elevated tank to be completed by 7/9/10.